Alberta Energy Regulator

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Proceeding 432

September 25, 2023

By e-mail only

Keyera Corp.
C/O: Osler, Hoskin & Harcourt LLP
Attention: Sander Duncanson

RE: Reconsideration of the Alberta Energy Regulator's Decision, Dated April 20, 2022
Amended Application No.: 1932335 dated January 14, 2022
Qualico Developments West Ltd.
Reconsideration No.: 1940992
Decision on Participation of Keyera Corp. (Keyera)

Dear: Sander Duncanson:

I am writing on behalf of the Alberta Energy Regulator (AER) panel of hearing commissioners presiding over proceeding 432 (the panel).

The panel has decided to permit Keyera to fully participate in the hearing of the application. Full participation in the hearing includes filing written submissions according to the schedule to be set by the panel, speaking to those submissions at the hearing, being questioned by the panel and parties that are adverse in interest to Keyera, cross-examining parties adverse in interest to Keyera, and submitting final argument.

On July 13, 2023, the AER issued a notice of hearing to reconsider its April 20, 2022, decision on amended application no. 1932335 brought by Qualico Developments West Ltd. (Qualico).

On July 21, 2023, Qualico requested an extension to the deadline for submitting requests to participate. On July 26, 2023, AER amended the notice of hearing and set a filing deadline of August 10, 2023, for requests to participate, and August 17, 2023, for responses to requests to participate.

Qualico, Pembina Pipeline Corporation (Pembina) and Plains Midstream Canada ULC (Plains) were noted as parties to the hearing and asked to confirm their intention to participate in the hearing.

On August 10, 2023, Qualico, Pembina, and Plains confirmed their intention to fully participate in the hearing.

On August 9, 2023, the AER received Keyera's letter requesting to participate in the hearing. Keyera filed a statement of concern on May 28, 2021. Keyera stated it will be directly and adversely affected by the amended application, and therefore has a vested interest in the outcome of the hearing. Keyera stated that it operates an extensive pipeline system in Alberta, including in the Edmonton region, and regularly encounters residential and commercial developments in proximity to its pipelines. Keyera further stated that, if the amended application is approved, pipeline companies such as Keyera may be responsible for bearing the costs and burdens of altering pre-existing pipeline infrastructure to accommodate future residential and commercial developments. This would lead to uncertainty in its business, with unknown and indeterminate future developments interacting with its pipelines, adding risks and additional costs, which would affect the economic viability of pipelines after they have been constructed. Keyera requested full participation in the hearing and committed to coordinate its participation with Pembina and Plains to avoid duplication and delay. Keyera also clarified that it requests separate full participation, as its concerns may not be fully represented by either Pembina's or Plains' positions. Keyera said the AER should deny the amended application or, in the event it approves the application, direct Qualico to pay for the full cost of alteration.

Qualico did not provide a reply to Keyera's request to participate in the hearing. Pembina and Plains provided replies to the requests to participate, on August 17, 2023, and both stated that they took no position with respect to the filed requests to participate.

Section 34(3) of the *Responsible Energy Development Act* states that: "… a person who may be directly and adversely affected by the application is entitled to be heard at the hearing". In addition, the *Alberta Energy Regulator Rules of Practice* (Rules) give the hearing panel discretion to grant participation status to persons who have a tangible interest and whose participation will materially assist without materially delaying the proceedings or repeating or duplicating evidence. The participation provisions in the Rules are intended to ensure a fair and efficient process and the development of a complete record that enables the panel to carry out its mandate.

In the panel's view, Keyera has demonstrated that it has a tangible interest in this matter and has relevant information and expertise with pipeline operations in the Edmonton region and encounters residential and commercial developments in proximity to its pipelines. Therefore, in the panel's view, Keyera may assist the panel in fulfilling its mandate in deciding this application. Furthermore, the panel notes that Qualico did not object to Keyera's request to fully participate in the hearing. For these reasons and subject to

further directions or rulings issued by the panel, the panel permits Keyera's full participation in the hearing and appreciates Keyera's intent not to delay the hearing or duplicate evidence.

If you have any questions, please contact the undersigned at hearing.services@aer.ca.

Sincerely,

Elaine Arruda
Hearing Coordinator

cc: D. Brezina and A. Huxley, AER Panel Counsel
G. Fitch, McLennan Ross LLP (Qualico Developments West Ltd.)
S. Munro, Bennett Jones LLP (Pembina Pipeline Corporation)
D. Naffin, Bennett Jones LLP (Plains Midstream Canada ULC)
S. Fash, BILD Alberta
C. Nicholas, MLC Group Inc.
J. Marchese and P. Shaver, Avillia Developments Ltd.
K. Rowe, Cantiro Group LP
K. Anderson, Urban Development Institute – Edmonton Metro
I. Radzichowsky and K. Welland, Secure Energy Services Inc.
E. Dixon and M. Cherkawsky, McLennan Ross LLP (Brookfield Residential (Alberta) LP)
M. Davis, Melcor Developments Ltd.
S. Gerein, Qualico Developments West Ltd.